

UNITED STATES OF AMERICA
Before The
OFFICE OF THRIFT SUPERVISION

In the Matter of
Donald F. DeNucci
A Former Officer of
New Jersey Savings and Loan
Association
Atco, New Jersey (DKT NO. 05826)

OTS Order No. NE94-39

Dated: October 27, 1994

ORDER OF PROHIBITION

WHEREAS, Donald F. DeNucci has executed a Stipulation and Consent to Entry of an Order of Prohibition ("Stipulation") on October 20, 1994; and

WHEREAS, Donald F. DeNucci, by his execution of the Stipulation, has consented and agreed to the issuance of this Order of Prohibition ("Order") by the Office of Thrift Supervision ("OTS"), pursuant to Section 8(e) of the Federal Deposit Insurance Act ("FDIA"), 12 U.S.C. §1818(e); and

WHEREAS, the Director of the Office of Thrift Supervision ("OTS") has delegated to the Regional Director of the OTS the authority to issue Orders on behalf of the OTS where there has been consent of the Respondent.

NOW THEREFORE, IT IS ORDERED that:

1. Due to the operation of Section 8(e)(6) of the FDIA, 12 U.S.C. §1818(e)(6), Donald F. DeNucci, for a period of ten (10) years from and after the date hereof, shall not:

(a) participate in any manner in the conduct of the affairs of the institutions and agencies set forth in paragraph 2 of this Order;

(b) solicit, procure, transfer, attempt to transfer, vote, or attempt to vote any proxy, consent, or authorization with respect to any voting rights with respect to the institutions and agencies set forth in paragraph 2 of this Order;

(c) violate any voting agreement previously approved by the "appropriate Federal banking agency" as defined in Section 3(q) of the FDIA, 12 U.S.C. §1813(q); or

(d) vote for a director, or serve or act as an "institution-affiliated party, as defined in Section 3(u) of the FDIA, 12 U.S.C. §1813(u).

2. Due to the operation of Section 8(e)(7) of the FDIA, 12 U.S.C. §1818(e)(7), Donald F. DeNucci, for a period of ten (10) years from and after the date hereof, shall not commence to hold any office in or participate in any manner in the conduct of the affairs of:

(a) any insured depository institution, as defined in

Section 3(c) of the FDIA, 12 U.S.C. §1813(c);

(b) any institution treated as an insured bank under Sections 8(b)(3) or (b)(4) of the FDIA, 12 U.S.C. §1818(b)(3) or (b)(4);

(c) any institution treated as a savings association under Section 8(b)(9) of the FDIA, 12 U.S.C. §1818(b)(9), including:

(i) any savings and loan holding company,

(ii) any subsidiary of a savings and loan holding company,

(iii) any service corporation of a savings association, or,

(iv) any subsidiary of a service corporation, whether wholly or partly owned;

(d) any insured credit union under the Federal Credit Union Act (12 U.S.C. §1751 et seq.);

(e) any institution chartered under the Farm Credit Act of 1971 (12 U.S.C. §2001 et seq.);

(f) any appropriate Federal depository institution regulatory agency;

(g) the Federal Housing Finance Board and any Federal Home Loan Bank; or

(h) the Resolution Trust Corporation.

3. Pursuant to Section 8(e)(7)(B) of the FDIA, 12 U.S.C. §1818(e)(7)(B), the prohibitions of paragraphs 1 and 2 of this Order

shall cease to apply with respect to a particular institution if Donald F. DeNucci obtains the prior written consent of both the OTS and the institution's "appropriate Federal financial institutions regulatory agency," as defined in Section 8(e)(7)(D) of the FDIA, 12 U.S.C. §1818(e)(7)(D).

4. The Stipulation is made a part hereof and is incorporated herein by this reference.

5. Notice is hereby provided that a violation of this Order could subject Donald F. DeNucci to the penalties specified in Section 8(j) of the FDIA, 12 U.S.C. §1818(j).

6. Donald F. DeNucci shall: (a) cooperate, if subpoenaed by OTS and without waiving any applicable Fifth Amendment privilege, in any investigation, examination, or inquiry being conducted by OTS; and (b) promptly respond to any request from the OTS for documents that the OTS reasonably requests to demonstrate compliance with this Order.

7. Except as otherwise provided in paragraphs 1 and 2 hereof, the OTS does not intend to limit, and nothing in the Order shall be interpreted to limit, in any manner, the full scope of the prohibition prescribed by Section 8(e) of the FDIA, 12 U.S.C. §1818(e).

8. This Order shall become effective on the date it is issued, as shown in the caption above. This Order shall cease to be effective if during the term hereof, Donald F. DeNucci: (a) is convicted of any criminal offense encompassed by Section 19 of the FDIA, 12 U.S.C. §1829, or (b) enters into a pretrial diversion or similar program with regard to a prosecution for any criminal offense encompassed by Section

19 of the FDIA, 12 U.S.C. §1829. In any such event, the terms of
Section 19 of the FDIA, 12 U.S.C. §1829, immediately shall become
applicable to Donald F. DeNucci.

THE OFFICE OF THRIFT SUPERVISION

By:



Angelo A. Vigna
Regional Director
Northeast Region

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Before The
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In the Matter of

Donald F. DeNucci

A Former Officer of
New Jersey Savings and Loan
Association
Atco, New Jersey (DKT NO. 05826)

Re: OTS Order No. NE94-39

STIPULATION AND CONSENT TO
ENTRY OF AN ORDER OF PROHIBITION

WHEREAS, the Office of Thrift Supervision ("OTS"), based upon information derived from the exercise of its regulatory responsibilities, has informed Donald F. DeNucci [a former officer of New Jersey Savings and Loan Association, Atco, New Jersey, OTS No. 05826 ("the Association")] that the OTS is of the opinion that the grounds exist to initiate an administrative prohibition proceeding against Donald F. DeNucci pursuant to Section 8(e) of the Federal Deposit Insurance Act ("FDIA"), 12 U.S.C. §1818(e)¹; and

WHEREAS, Donald F. DeNucci desires to cooperate with the OTS to avoid the time and expense of such administrative litigation and, without admitting that such grounds exist, hereby stipulates and agrees to the following terms:

1. All references in this Stipulation and Consent and the Order of Prohibition to the U.S.C. are as amended.

1. Jurisdiction.

(a) The Association is a "savings association" within the meaning of Section 3(b) of the FDIA, 12 U.S.C. § 1813(b), and Section 2(4) of the Home Owners' Loan Act, 12 U.S.C. § 1462(4). Accordingly, it is an "insured depository institution" as that term is defined in Section 3(c) of the FDIA, 12 U.S.C. § 1813(c).

(b) Donald F. DeNucci, as a former president of the Association is deemed to be an "institution-affiliated party" as that term is defined in Section 3(u) of the FDIA, 12 U.S.C. §1813(u) having served in such capacity within 6 years of the date hereof. (see 12 U.S.C. §1818(i)(3)).

(c) Pursuant to Section 3(q) of the FDIA, 12 U.S.C. §1813(q), the Director of the OTS is the "appropriate Federal banking agency" to maintain an enforcement proceeding against such a savings association and/or its institution-affiliated parties. The Director of the OTS has delegated to the Regional Directors of the OTS the authority to issue an order of prohibition where the respondent has consented to the issuance of the order. Therefore, Donald F. DeNucci is subject to the authority of the OTS to initiate and maintain a prohibition proceeding against him pursuant to Section 8(e) of the FDIA, 12 U.S.C. §1818(e).

2. OTS Findings of Fact. The OTS finds (which findings Donald F. DeNucci does not admit) that commencing in 1986 and continuing through the termination of his employment by the Association in 1992, Donald F. DeNucci: (a) made, and caused

to be made, false and misleading entries to the books and records of the Association in order to make it appear that various delinquent loans were otherwise current; and (b) failed to properly inform, advise, and provide accurate information to the board of directors of the Association with respect to the financial affairs and operations of the Association.

3. Consent. Donald F. DeNucci consents to the issuance by the OTS of the accompanying Order of Prohibition ("Order"). He further agrees to comply with its terms upon issuance and stipulates that the Order complies with all requirements of law.

4. Finality. The Order is issued by the OTS under the authority of Section 8(e) of the FDIA, 12 U.S.C. §1818(e). Upon its issuance by the Regional Director or designee for the Northeast Region, OTS, it shall be a final order, effective and fully enforceable by the OTS under the provisions of Section 8(i) of the FDIA, 12 U.S.C. §1818(i).

5. Waivers. Donald F. DeNucci waives the following:

(a) the right to be served with a written notice of the OTS's charges against him (referred to as a Notice of Intention to Prohibit) (see Section 8(e) of the FDIA);

(b) the right to an administrative hearing of the OTS's charges against him (see Section 8(e) of the FDIA); and

(c) the right to seek judicial review of the Order, including, without limitation, any such right provided by Section 8(h) of the FDIA, 12 U.S.C. §1818(h), or otherwise to challenge the validity of the Order.

6. Indemnification. Donald F. DeNucci shall neither cause nor permit the Association (or any subsidiary thereof) to incur, directly or indirectly, any expense for any legal (or other professional expenses) incurred relative to the negotiation and issuance of the Order of Prohibition, nor obtain any indemnification (or other reimbursement) from the Association (or any subsidiary thereof) with respect to such amounts. Any such payments received by or on behalf of Mr. DeNucci in connection with this action shall be returned to the Association.


7. Other Government Actions Not Affected. Donald F. DeNucci acknowledges and agrees that the consent to the entry of the Order is for the purpose of resolving this prohibition action only, and does not release, discharge, compromise, settle, dismiss, resolve, or in any way affect any actions, charges against, or liability of Donald F. DeNucci that arise pursuant to this action or otherwise, and that may be or have been brought by the Resolution Trust Corporation or any other government entity other than the OTS.

8. Acknowledgment of Criminal Sanctions. Donald F. DeNucci acknowledges that Section 8(j) of the FDIA, 12 U.S.C. §1818(j), sets forth criminal penalties for knowing violations of this Order.

WHEREFORE, DONALD F. DENUCCI executes this Stipulation and

Consent to Entry of an Order of Prohibition, intending to be
legally bound hereby.

By:



Donald F. DeNucci

Accepted by:

Office of Thrift Supervision



Angela A. Vigna
REGIONAL DIRECTOR
Northeast Region

Date:

10/20/94

Date:

10/28/94